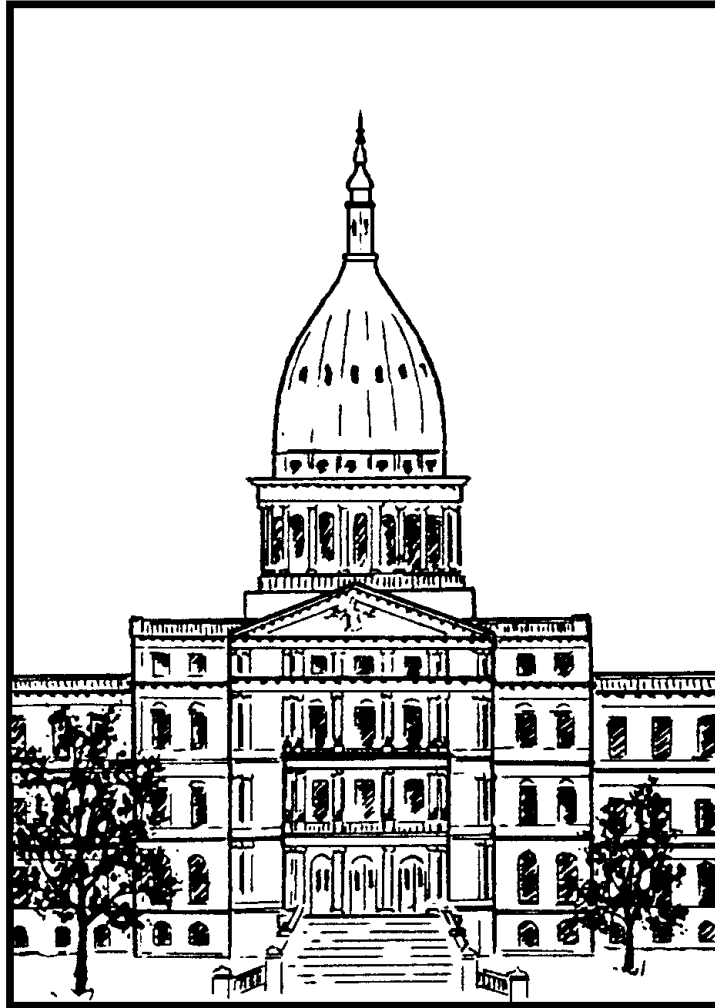


**FISCAL YEAR 2002-03  
TRANSPORTATION APPROPRIATIONS  
HB 5651**



Representative Shackleton, Chair  
Representative Kooiman  
Representative Stallworth

Senator Hoffman  
Senator Goschka  
Senator Young

**2nd Conference Report (S-1) CR-2 \***  
Floor Document  
August 13, 2002



Analyst: William E. Hamilton  
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 Date: August 13, 2002

**Transportation Appropriations  
 Fiscal Year 2002-03  
 House Bill 5651**

	FTEs	Gross	IDG/IDT	Federal	Local	Private	State Restricted	GF/GP
<b>2001-02 YTD</b>	3,182.3	\$3,078,192,400	\$11,459,500	\$961,283,900	\$5,800,000	\$0	\$2,099,649,000	\$0
<b>Executive</b>	3,075.3	\$3,166,371,100	\$0	\$987,176,100	\$5,800,000	\$0	\$2,173,395,000	\$0
Exec Change from YTD	(107.0)	\$88,178,700	(\$11,459,500)	\$25,892,200	\$0	\$0	\$73,746,000	\$0
Exec % Change from YTD	(3.4%)	2.9%	(100.0%)	2.7%	0.0%	0.0%	3.5%	0.0%
<b>House Rec</b>	3,075.3	\$3,124,514,600	\$0	\$987,176,100	\$5,800,000	\$0	\$2,131,538,500	\$0
House Change from YTD	(107.0)	\$46,322,200	(\$11,459,500)	\$25,892,200	\$0	\$0	\$31,889,500	\$0
House % Change from YTD	(3.4%)	1.5%	(100.0%)	2.7%	0.0%	0.0%	1.5%	0.0%
<b>Senate Rec</b>	3,075.3	\$3,119,979,700	\$0	\$987,176,100	\$5,800,000	\$0	\$2,127,003,600	\$0
Senate Change from YTD	(107.0)	\$41,787,300	(\$11,459,500)	\$25,892,200	\$0	\$0	\$27,354,600	\$0
Senate % Change from YTD	(3.4%)	1.4%	(100.0%)	2.7%	0.0%	0.0%	1.3%	0.0%
<b>Conf Rec</b>	3,075.3	\$3,125,181,500	\$0	\$987,176,100	\$5,800,000	\$0	\$2,132,205,400	\$0
Conf Change from YTD	(107.0)	\$46,989,100	(\$11,459,500)	\$25,892,200	\$0	\$0	\$32,556,400	\$0
Conf % Change from YTD	(3.4%)	1.5%	(100.0%)	2.7%	0.0%	0.0%	1.6%	0.0%

## OVERVIEW

**Current Year** - The state transportation budget supports state and local highway programs, public transportation programs, aeronautics programs, and administration of the Michigan Department of Transportation. The current-year (FY 2001-02) budget appropriates over \$3.078 billion for state transportation programs. Approximately 90% of the budget is appropriated for highway programs, including \$1.2 billion for local road agencies. Just over 9% is dedicated to public transportation programs, including capital and operating support for public transit agencies. Less than 1% of the budget is appropriated for aeronautics programs. [Aeronautics airport improvement programs are appropriated in the Capital Outlay budget.] Funding is provided from state restricted, federal, and local revenue. There are no GF/GP funds in this budget.

### FY 2002-03 Budget Recommendations

**Executive** - The Executive recommended gross appropriations of \$3.166 billion - an increase of \$88.2 million from the current year. Part of the apparent increase for FY 2002-03 (\$32.8 million) represented a restoration of funds vetoed from the FY 2001-02 appropriations bill. And part of the apparent increase for FY 2002-03 (\$11.8 million) represented a restoration of funds cut in FY 2001-02 by Executive Order 2001-9. The most significant actual changes proposed in the Executive budget involved new revenue sources. The Executive budget assumed \$44.0 million in additional revenue from proposed changes to two diesel fuel tax statutes, the Motor Fuel Tax Act, and the Motor Carrier Fuel Tax Act. The Executive proposed to earmark revenue related to that increase for a new Commercial Highway Fund, and for debt service on new Critical Bridge bonds. In addition, the Executive included \$5.0 million from a proposed earmark of Airport Parking Tax revenue to be used to support debt service on new Aeronautics ASAP bonds.

The Executive budget retained the \$48.0 million authorization for the MTF to receive and pay billings from the departments of State and Treasury, made in the current year through Executive Order 2001-9.

The Executive budget also reflected the elimination the annual \$35.0 million transfer from the BSF to the STF for the Build Michigan III program.

**House Substitute** - Gross appropriations in the House Substitute would be \$3.125 billion - \$46.3 million more than the current year but \$41.9 million less than the Executive budget. The House Substitute uses \$100 placeholders for new revenue sources proposed by the Executive - the diesel tax package and the proposed earmark of Airport Parking Tax revenue. This reduction in revenue is partially offset by increased appropriations for CTF programs, including *Local bus operating*, and *Rail passenger service*.

The House Substitute recommends a \$20.3 million increase in MTF grants to other departments - from \$56.8 million in the current year to \$77.1 million for FY 2002-03. That increase is \$30.7 million less than the increase proposed by the Executive.

**Senate Substitute** - Gross appropriations in the Senate Substitute would be \$3.120 billion - \$41.8 million more than the current year, \$46.4 million less than the Executive recommendation, and \$4.5 million less than the House Substitute. The Senate Substitute does not recognize any additional revenue from the diesel tax package or the proposed earmark of Airport Parking Tax revenue. CTF funding is \$4.5 million less than the House bill; the Senate bill reflects CTF revenue estimates.

The Senate Substitute includes \$100 items of difference in MTF appropriation line items to the Departments of State and Treasury.

**Conference Recommendation** - Gross appropriations in the Conference Report would be \$3.125 billion - \$47.0 million more than the current year, \$41.2 million less than the Executive recommendation, \$666,900 more than the House Substitute, and \$5.2 million more than the Senate Substitute. The Conference Report does not recognize additional revenue from the diesel tax package; it does include \$5.0 million in ASAP debt service - contingent on the passage of HB 4454.

The Conference Report recommends \$94.6 million in MTF grants to the Department of State (including commemorative and specialty plates) - \$2.0 million less than the Executive recommendation. The Conference Report includes \$10.2 million in MTF funding for the Department of Treasury.

The 2<sup>nd</sup> Conference Report differs from the 1<sup>st</sup> Conference Report (June 27, 2002) by striking the two sentences from Section 725 which authorized the department to expend up to \$1.0 million for the Detroit Area Regional Transportation Authority contingent on the enactment of HB 5467. In addition, the 2<sup>nd</sup> Conference Report adds new Section 618 regarding the US-127 west interchange portion of the I-94 freeway modernization project in Jackson County, and new Section 901 which appropriates \$7.4 million from the liquor purchase revolving fund to the department for subsequent transfer to the Department of Consumer and Industry Services for fire protection grants to local units of government.

**House/Senate Items of Difference**

**Current Year**

**House**

**Senate**

**Conference**

**1. Debt Service - Critical Bridge**

Critical bridge debt service currently reflects a \$3.0 million MTF Act 51 earmark.

<b>Gross</b>	<b>\$3,000,000</b>	<b>\$3,000,100</b>	<b>\$3,000,000</b>	<b>\$3,000,000</b>
Restr	3,000,000	3,000,100	3,000,000	3,000,000
GF/GP	\$0	\$0	\$0	\$0

**Executive** recommended a \$5.7 million increase in debt service as a result of a proposed new \$150.0 million bond issue for rehabilitation or replacement of local critical bridges on the federal aid system ("on-system bridges"). The related \$5.7 million increase in debt service was to have been provided through an earmark of diesel fuel tax revenue.

**House substitute** did not include the \$5.7 million increase recommended by the Governor but instead included a \$100 placeholder.

**Senate substitute** is \$100 less than the House-passed bill.

**Conference** concurs with Senate which is the same as the current year appropriation.

**2. Debt Service - ASAP Plan**

**Executive** recommended \$5.0 million for debt service related to a proposed new Airport Safety and Protection (ASAP) Plan bond program. Additional SAF funds were to come from a statutory change in the allocation of Airport Parking Tax revenue, (HB 4454).

<b>Gross</b>	<b>\$0</b>	<b>\$100</b>	<b>\$0</b>	<b>\$5,000,000</b>
Restr	0	100	0	5,000,000
GF/GP	\$0	\$0	\$0	\$0

**House substitute** did not include the \$5.0 million recommended by the Governor but instead included a \$100 placeholder.

**Senate substitute** does not include this line item.

**Conference** recommends \$5.0 million contingent upon the passage of HB 4454. (See boilerplate Sec 805)

**3. MTF Grant (IDG) to Department of State for Collection of Revenue and Fees**

**Executive** recommended \$90.4 million for the MTF grant to the Department of State for collection costs - effectively a continuation of EO 2001-9. [The Executive also breaks out a new separate line for commemorative and specialty plates - see below.]

<b>Gross</b>	<b>\$55,814,100</b>	<b>\$70,000,000</b>	<b>\$70,000,100</b>	<b>\$90,430,700</b>
Restr	55,814,100	70,000,000	70,000,100	90,430,700
GF/GP	\$0	\$0	\$0	\$0

**House substitute** appropriates \$70.0 million from the MTF for Department of State collection costs, and concurs in the creation of the new specialty plate line item.

**Senate substitute** makes a \$100 point of difference regarding Department of State collection costs, and concurs in the specialty plate line item.

**Conference** recommends \$90.4 million for Department of State collection costs.

House/Senate Items of DifferenceCurrent YearHouseSenateConference**4. MTF Grant (IDG) to Department Commemorative and Specialty Plates**

**Executive** breaks out a new \$6.1 million line for commemorative and specialty plates.

**House substitute** concurs with the Executive recommendation in the creation of the new specialty plate line item.

**Senate substitute** concurs with the House substitute.

**Conference** recommends \$4.1 million - \$2.0 million less than the Executive recommendation.

<b>Gross</b>	<b>N/A</b>	<b>\$6,062,300</b>	<b>\$6,062,300</b>	<b>\$4,069,300</b>
Restr	N/A	6,062,300	6,062,300	4,069,300
GF/GP	N/A	\$0	\$0	\$0

**5. MTF Grant (IDG) to Department of Treasury**

**Executive** recommended \$10.2 million for the MTF grant to the Department of Treasury for costs of collecting MTF revenue. Of this, \$8.0 million is effectively a continuation of EO 2001-9, and \$2.2 million reflects improvements to collection systems.

**House substitute** does not include.

**Senate substitute** makes a \$100 point of difference with the House-passed bill.

**Conference** adopts the Executive budget recommendation of \$10.2 million.

<b>Gross</b>	<b>\$0</b>	<b>\$0</b>	<b>\$100</b>	<b>\$10,225,000</b>
Restr	0	0	100	10,225,000
GF/GP	\$0	\$0	\$0	\$0

**6. STF Grant to Michigan State Police**

**House substitute** adopts the **Executive** budget amount of \$6.9 million STF.

**Senate substitute** adds \$1.4 million for increased motor carrier enforcement.

**Conference** concurs with Senate sub.

<b>Gross</b>	<b>\$8,210,700</b>	<b>\$6,853,300</b>	<b>\$8,253,300</b>	<b>\$8,253,300</b>
Restr	8,210,700	6,853,300	8,253,300	8,253,300
GF/GP	\$0	\$0	\$0	\$0

**7. Executive Direction - Unclassified Salaries**

**House substitute** adopted **Executive** budget amount \$532,200 (STF) - \$10,400 more than current year.

**Senate substitute** adds \$15,600 (STF).

**Conference** concurs with House sub.

<b>Gross</b>	<b>\$521,800</b>	<b>\$532,200</b>	<b>\$547,800</b>	<b>\$532,200</b>
Restr	521,800	532,200	547,800	532,200
GF/GP	\$0	\$0	\$0	\$0

**8. Executive Direction - State Transportation Commission Per Diem.**

**The House** adopts **Executive** recommended \$10,000 STF - same as current year.

**Senate substitute** increases by \$5,000 (STF).

**Conference** concurs with House sub.

<b>Gross</b>	<b>\$10,000</b>	<b>\$10,000</b>	<b>\$15,000</b>	<b>\$10,000</b>
Restr	10,000	10,000	15,000	10,000
GF/GP	\$0	\$0	\$0	\$0

**House/Senate Items of Difference**

**Current Year**

**House**

**Senate**

**Conference**

**9. State Trunkline Road and Bridge**

**Construction**

**Executive** proposed \$963.1 million for this line including \$32.6 million from a proposed earmark of diesel fuel taxes (Commercial Highway Fund).

**House substitute** recommends \$934.1 million - \$29.1 million less than the Executive. Reflects \$6.0 million shift of federal funds to the *Critical bridge program*, \$10.8 million increase in STF from reduction in MTF IDGs, \$1.2 million decrease in STF from use of \$100 in place of revenue from diesel tax package, and the decrease due to the replacement of the \$32.6 million Commercial highway fund with \$100 placeholder.

**Senate substitute** recommends \$938.6 million - \$24.5 million less than the Executive. Does not adopt the House bill's \$6.0 million shift of federal funds to the Critical bridge line, or \$100 placeholders for diesel fuel tax increase. Reduces line by \$1.4 million for increase to STF grant to MSP, \$15,600 for increase to unclassified salaries, and \$5,000 for STC per diem.

**Conference** recommends \$921.9 million - \$41.2 million less than the Executive. This reflects the following differences from the Executive: \$1.4 million decrease for increase to STF grant to MSP, and \$6.0 million shift of federal funds to Critical bridge line (see below). Does not recognize revenue from proposed changes to diesel tax statutes.

	<b>Gross</b>	<b>\$962,683,200</b>	<b>\$934,068,300</b>	<b>\$938,647,500</b>	<b>\$921,880,300</b>
Restr		298,011,000	272,881,000	271,460,200	260,693,000
Local		5,000,000	5,000,000	5,000,000	5,000,000
Federal		659,672,200	656,187,300	662,187,300	656,187,300
GF/GP		\$0	\$0	\$0	\$0

**10. Federal Aid to Local Road Agencies**

**Executive** recommended appropriation of federal funds for local road agency construction projects would be \$233.1 million in FY 2002-03 — an increase of \$20.0 million over the current year. This allocation of federal aid to local units of government reflects the 75:25 split between MDOT and local road agencies required by Act 51. The increase for FY 2002-03 is primarily due to the Governor's veto of Section 405 from Enrolled Senate Bill 239. The veto reduced this line by \$18.0 million in the current year.

**House substitute** recommends \$215.1 million - which reflects the shift of \$18.0 million in federal funds to the *Critical bridge program* (see below).

**Senate substitute** adopts Executive recommendation - \$18.0 million greater than the House-passed bill.

**Conference** concurs with House sub.

	<b>Gross</b>	<b>\$213,111,700</b>	<b>\$215,132,000</b>	<b>\$233,132,000</b>	<b>\$215,132,000</b>
Federal		213,111,700	215,132,000	233,132,000	215,132,000
GF/GP		\$0	\$0	\$0	\$0

**House/Senate Items of Difference**

	<b><u>Current Year</u></b>	<b><u>House</u></b>	<b><u>Senate</u></b>	<b><u>Conference</u></b>	
<b>11. Critical Bridge Program/Fund</b>	<b>Gross</b>	<b>\$5,750,000</b>	<b>\$29,750,000</b>	<b>\$5,750,000</b>	<b>\$29,750,000</b>
Restr	5,750,000	5,750,000	5,750,000	5,750,000	
Federal	0	24,000,000	0	24,000,000	
GF/GP	\$0	\$0	\$0	\$0	

**Executive** proposes \$5,750,000 - no change from current year.

**House substitute** recommends \$29,750,000. The bill adds \$24.0 million in federal funds - \$6.0 million from *State trunkline federal aid and road and bridge construction* line and \$18.0 million from *Local federal aid and road and bridge construction*. The House substitute also changes the name of the line item to *Critical bridge fund*.

**Senate substitute** adopts Executive budget rec.

**Conference** concurs with House sub.

**12. MTF to County Road Commissions**

<b>Gross</b>	<b>\$600,269,700</b>	<b>\$608,759,600</b>	<b>\$608,759,500</b>	<b>\$597,971,700</b>
Restr	600,269,700	608,759,600	608,759,500	597,971,700
GF/GP	\$0	\$0	\$0	\$0

Public Act 51 of 1951 (Act 51) provides for a formula distribution of funds from the Michigan Transportation Fund (MTF) to eligible local road agencies (county road commissions, and incorporated cities and villages). The estimated distribution in the **Executive** budget would be \$599.2 million and included additional revenue from proposed diesel tax increases.

**House substitute** included \$608.8 million - \$9.6 million more than the Executive. This reflected an increase in available MTF revenue from the reduction in MTF grants, less \$1.2 million related to the diesel fuel tax package - not recognized in the House substitute.

**Senate substitute** is \$100 less than the House-passed bill.

**Conference** recommends \$598.0 million. Does not recognize revenue from proposed changes to diesel tax statutes.

Note: Actual MTF distribution will be based on actual MTF revenue – which may be more or less than the amount appropriated.

**House/Senate Items of Difference**

	<u>Current Year</u>	<u>House</u>	<u>Senate</u>	<u>Conference</u>
<b>Gross</b>	<b>\$334,677,300</b>	<b>\$339,410,800</b>	<b>\$339,410,700</b>	<b>\$333,396,100</b>
Restr	334,677,300	339,410,800	339,410,700	333,396,100
GF/GP	\$0	\$0	\$0	\$0

**13. MTF to Cities and Villages**

Public Act 51 of 1951 (Act 51) provides for a formula distribution of funds from the Michigan Transportation Fund (MTF) to eligible local road agencies (county road commissions, and incorporated cities and villages). The estimated distribution in the **Executive** budget would be \$334.1 million and included additional revenue from proposed diesel tax increases.

**House substitute** included \$339.4 million - \$5.3 million more than the Executive. This reflected an increase in available MTF revenue as a result of the reduction in MTF grants, less \$670,800 related to the diesel fuel tax package - not recognized in the House substitute.

**Senate substitute** is \$100 less than the House-passed bill.

**Conference** is \$333.4 million.

Does not recognize revenue from proposed changes to diesel tax statutes.

Note: Actual MTF distribution will be based on actual MTF revenue – which may be more or less than the amount appropriated.

**14. Economic Development Fund - Category "A", Target Industries**

<b>Gross</b>	<b>\$14,940,100</b>	<b>\$15,904,100</b>	<b>\$19,404,300</b>	<b>\$19,404,300</b>
Restr	14,940,100	15,904,100	19,404,300	19,404,300
GF/GP	\$0	\$0	\$0	\$0

**House substitute** recommends \$15.9 million which reflects restoration in FY 2002-03 of the funds cut in the current year by EO 2001-9. The House takes Build Michigan III debt service from the *Target industries* (Category "A") line rather than "off-the-top" of the fund.

**Senate substitute**, \$3.5 million more than the House-passed bill, follows the Executive recommendation and takes Build Michigan III debt service "off-the-top" of the fund.

**Conference** concurs with Senate sub.

**15. Economic Development Fund - Category "C", Urban County Congestion Relief**

<b>Gross</b>	<b>\$9,220,000</b>	<b>\$9,702,100</b>	<b>\$7,952,000</b>	<b>\$7,952,000</b>
Restr	9,220,000	9,702,100	7,952,000	7,952,000
GF/GP	\$0	\$0	\$0	\$0

**House substitute** recommends \$9.7 million which reflects restoration in FY 2002-03 of the funds cut in the current year by EO 2001-9. The House takes Build Michigan III debt service from the *Target industries* (Category "A") line rather than "off-the-top" of the fund.

**Senate substitute**, \$1.75 million less than the House-passed bill, follows the Executive recommendation and takes Build Michigan III debt service "off-the-top" of the fund.

**Conference** concurs with Senate sub.



House/Senate Items of Difference

Current Year

House

Senate

Conference

**16. Economic Development Fund - Category "D", Rural County Primary**

<b>Gross</b>	<b>\$9,220,000</b>	<b>\$9,702,100</b>	<b>\$7,952,000</b>	<b>\$7,952,000</b>
Restr	9,220,000	9,702,100	7,952,000	7,952,000
GF/GP	\$0	\$0	\$0	\$0

**House substitute** recommends \$9.7 million which reflects restoration in FY 2002-03 of the funds cut in the current year by EO 2001-9. The House takes Build Michigan III debt service from the *Target industries* (Category "A") line rather than "off-the-top" of the fund.

**Senate substitute**, \$1.75 million less than the House-passed bill, follows the Executive recommendation and takes Build Michigan III debt service "off-the-top" of the fund.

**Conference** concurs with Senate sub.

**17. Bus Transit - Local Bus Operating Assistance**

<b>Gross</b>	<b>\$155,252,700</b>	<b>\$165,000,000</b>	<b>\$161,565,600</b>	<b>\$160,000,000</b>
Restr	155,252,700	165,000,000	161,565,600	160,000,000
GF/GP	\$0	\$0	\$0	\$0

**Executive** recommended \$158.5 million in state restricted funds (CTF) - an increase of \$3.2 million from the current year. The increase restores in FY 2002-03 CTF funds that were cut in the current year by Executive Order 2001-9.

**House substitute** recommends \$165.0 million - \$6.5 million more than the Executive.

**Senate substitute** recommends \$161.0 million - \$2.5 million more than the Executive.

**Conference** recommends \$160.0 million.

**18. Rail Passenger Service**

<b>Gross</b>	<b>\$9,922,000</b>	<b>\$12,000,000</b>	<b>\$11,000,000</b>	<b>\$11,300,000</b>
Restr	6,922,000	9,000,000	8,000,000	8,300,000
Federal	3,000,000	3,000,000	3,000,000	3,000,000
GF/GP	\$0	\$0	\$0	\$0

Provides operating assistance to AMTRAK for rail service between Port Huron and Chicago, and between Grand Rapids and Chicago. Also supports rail capital improvements, including projects for high-speed rail service between Detroit and Chicago.

**House substitute** recommends \$12.0 million - with \$1.0 million earmarked for a Detroit-Lansing rail project.

**Senate substitute** adopts Executive recommendation of \$11.0 million and does not include earmark for Detroit-Lansing rail project.

**Conference** adds \$300,000 to Senate sub. based on increased CTF revenue estimates. Modifies earmark (See Sec. 723).

**19. Rail Infrastructure Loan Program**

<b>Gross</b>	<b>\$0</b>	<b>\$100,000</b>	<b>\$0</b>	<b>\$100,000</b>
Restr	0	100,000	0	100,000
GF/GP	\$0	\$0	\$0	\$0

Executive Order 2001-9 cut the entire \$800,000 (CTF) appropriation for this program in the current year. Funding for this program is not restored in the **Executive** recommendation for FY 2002-03.

**House substitute** recommends \$100,000 (CTF).

**Senate substitute** adopts Executive recommendation and does not include.

**Conference** concurs with House sub.

**20. Bus Capital**

<b>Gross</b>	<b>\$55,695,500</b>	<b>\$48,554,500</b>	<b>\$48,554,500</b>	<b>\$48,849,500</b>
Restr	14,155,500	14,254,500	14,254,500	14,549,500
Local	500,000	500,000	500,000	500,000
Federal	41,000,000	33,800,000	33,800,000	33,800,000
GF/GP	\$0	\$0	\$0	\$0

**Conference** would add \$295,000 to House/Senate recommendations based to increased CTF revenue estimates.

House/Senate Items of Difference

**21. Early Retirement Savings**

The Senate substitute includes a negative \$100 placeholder for early retirement savings which was not included in the House sub.

Conference concurs with House sub. (not included)

	<u>Current Year</u>	<u>House</u>	<u>Senate</u>	<u>Conference</u>
<b>Gross</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$100)</b>	<b>\$0</b>
Restr	0	0	(100)	0
GF/GP	\$0	\$0	\$0	\$0

<b>Boilerplate Changes</b>	<b>Current Year</b>	<b>House</b>	<b>Senate</b>	<b>Conference</b>
<b>Payments to Local Units of Government</b> Identifies state spending and state spending to local units of government. House/Senate/Conference update to reflect fiscal year and state spending in respective bills.	Sec. 201	Modifies	Modifies	Modifies to reflect Part 1 spending
<b>Receive and Retain Reports</b> Provides for record retention. Conference concurs with Senate.	Sec. 211	Not Included	Retains current law	Retains current law
<b>Official Transportation Map</b> Provides for official highway map. Provides for the Legislative Council to determine the number of maps distributed to the Legislature; requires that Senators receive 3 times the number as Representatives. House requires that representatives receive 3 times the number of maps as Senators. Senate does not include. Conference concurs with Senate.	Sec. 302	Modifies	Not Included	Not Included
<b>Report on Internal Auditor</b> Provides for report on activities of internal auditor. Conference concurs with Senate.	Sec. 314	Not Included	Retains current law	Retains current law
<b>Transportation Commission Per Diem</b> Provides for \$100 per meeting. The House makes minor change in wording. The Senate increases to \$150 per meeting. Conference concurs with House.	Sec. 317	Modifies	Modifies	Concurs with House
<b>WBE/MBE Report</b> Requires WBE/MBE progress report. The Senate updates report date to March 31, 2003. Conference concurs with Senate.	Sec. 318	Not Included	Modifies	Concurs with Senate
<b>Construction Zone Traffic Law Enforcement</b> Earmarks up to \$700,000 to law enforcement agencies for construction traffic law enforcement. The House includes reference to the "give 'em a brake campaign"; the Senate does not. The Senate also deletes reference to "overtime" costs. Conference concurs with Senate.	Sec. 324	Modifies	Modifies	Concurs with Senate
<b>Critical Bridge Report</b> Requires the department to notify local road agencies of critical bridge funding. The Senate updates reporting dates. Conference concurs with Senate.	Sec. 328	Not Included	Modifies	Concurs with Senate
<b>TEDF Debt Service (Build Michigan III)</b> Notifies legislative intent that debt service on Build Michigan III Transportation economic development bonds to come from "Category A" program. Conference concurs with Senate.	Sec. 329	Retains current law	Not Included	Not Included
<b>Construction Incentives M-6/US-131</b> Earmarks \$1.5 million for lane closure incentives. Conference concurs with House.		<b>NEW SEC. 351</b>	Not Included	Concurs with House
<b>All Season County Road Network</b> Provides for data collection and reporting. Conference concurs with House.		<b>NEW SEC. 352</b>	Not Included	Concurs with House
<b>Prompt Payment</b> Directs department to review contractor payment process to ensure that contractors and subs are paid promptly. Conference modifies House language to include reference to special provision on subcontractor payment, and strikes the sentence "The department shall not reduce a contractor's prequalification rating when the contractor did not receive prompt and timely payments on contracted work from the department or, if working as a subcontractor, from the prime contractor."		<b>NEW SEC. 353</b>	Not Included	Modifies

<b>Boilerplate Changes</b>	<b>Current Year</b>	<b>House</b>	<b>Senate</b>	<b>Conference</b>
<b>Scrap Tire Pavement Project</b> Directs the department to build a demonstration asphalt pavement project using scrap tires. Conference includes new "in consultation with the department of environmental quality" language.		<b>NEW SEC. 355</b>	Not Included	Modifies
<b>Early Retirement</b> Identifies the negative appropriation in Part 1 as savings from the early retirement program. Requires a legislative transfer by November 15, 2002 to apply savings to appropriation line items. Conference does not include.			<b>NEW SEC. 356</b>	Not Included
<b>Local Project Review</b> Requires the department to complete all necessary reviews and inspections required to let federal aid projects within 120 days of receipt of project submittals. Conference modifies Senate language by adding "Where possible" to start of section, and by requiring the department to implement a system for monitoring local federal aid review process.			<b>NEW SEC. 357</b>	Modifies
<b>Critical Bridge</b> Earmarked \$24.0 million in federal bridge funds for local bridge program. [ <b>Vetoed</b> ] The House includes vetoed language with minor modifications. Not included by Senate. Conference concurs with House.	Sec. 405	Modifies	Not Included	Concurs with House
<b>Billings for Transportation-related Services from Other State Departments</b> The Conference would add language that had been included in the bill as introduced but not in the House or Senate-passed versions. The new Subsection would authorized the department to pay from restricted transportation funds billings from state departments that provide transportation-related services.		Not Included	Not Included	<b>NEW SEC. 504 (4)</b>
<b>Tree Cutting</b> Prohibits county road commissions from paying fees to the state DNR to cut down trees or vegetation on county right of way. Conference concurs with Senate.			<b>NEW SEC. 506</b>	Concurs with Senate
<b>Interdepartmental Grants - Report Required</b> The Conference would add language to indicate legislative intent to reduce the funding for grants from restricted transportation funds to other state departments that provide transportation-related services. Requires the department to recommend alternative funding methods by February 1, 2003.		Not Included	Not Included	<b>NEW SEC. 507</b>
<b>Unsafe Pedestrian Crossings</b> Current year language earmarked \$2.0 million for remediation of unsafe pedestrian crossings. [ <b>Vetoed</b> ] House retains without specific dollar amount. Not included by Senate. Conference concurs with House.	Sec. 607	Modifies	Not Included	Concurs with House
<b>All Season Road - Barry County</b> Earmarks unspecified amount from STF for project. Conference concurs with House.		<b>NEW SEC. 611</b>	Not Included	Concurs with House
<b>Saginaw I-675 Exit Study</b> Requires a feasibility study regarding construction, of a northbound ramp at I-675 and Washington avenue in the city of Saginaw. Conference concurs with Senate.			<b>NEW SEC. 612</b>	Concurs with Senate

<b>Boilerplate Changes</b>	<b>Current Year</b>	<b>House</b>	<b>Senate</b>	<b>Conference</b>
<b>Ogemaw County Interchange</b> Requires a feasibility study regarding construction of an interchange on I-75 between exits 212 and 215 at M-30 in Ogemaw County. Conference concurs with Senate.			<b>NEW SEC. 613</b>	Concurs with Senate
<b>Traffic Signal Project</b> Requires the department to install traffic lights at Vance Road and M-37 in Grand Traverse County. Conference concurs with Senate.			<b>NEW SEC. 614</b>	Concurs with Senate
<b>I-96 Exit Study</b> Requires a feasibility study regarding construction of an interchange at Sternberg Road in Muskegon County. Conference concurs with Senate.	Sec. 606	Not Included	<b>NEW SEC. 615</b>	Concurs with Senate
<b>M-104 Safety Study</b> Conference requires a traffic safety study for M-104 between I-96 and Spring Lake.				<b>NEW SEC. 616</b>
<b>I-75 Exit in Chippewa County</b> Conference requires a feasibility study regarding construction of an interchange on I-75 at M-48.				<b>NEW SEC. 617</b>
<b>US-127/I-94 Interchange in Jackson County</b> Conference Report adds new section directing the department to select alternative II, as identified in the draft environmental impact statement for the US-127 west interchange portion of the I-94 freeway modernization project in Jackson County.				<b>NEW SEC. 618</b>
<b>Rail Infrastructure Loan Program</b> Establishes program guidelines. The House adopts Executive language to limit loans to "not more than 90% of project cost". The House also appropriates \$100,000. The Senate does not include the \$100,000 appropriation. Conference concurs with House.	Sec. 705	Modifies	Modifies	Concurs with House
<b>Detroit/Wayne County Port Authority</b> Establishes reporting requirement. The House updates and requires performance audit. The Senate does not include the performance audit requirement. Conference concurs with Senate.	Sec. 706	Modifies	Modifies	Concurs with Senate
<b>Unreserved CTF Fund Balance</b> Requires the department, together with the House and Senate fiscal agencies and the Department of Management and Budget, to estimate the unreserved and unencumbered balance in the Comprehensive Transportation Fund at September 30, 2002. The section then requires that the department request a legislative transfer to appropriate the estimated fund balance in excess of \$1 million with priority for local bus operating grants. House updates date references. The Senate requires 67% for local bus operating grants. Conference concurs with House.	Sec. 715	Modifies	Modifies	Concurs with House
<b>Guidelines for CTF Matching Federal Transit Funds</b> Reduces CTF matching funds for projects not put under contract within specified term. The Senate modifies language to exclude facility projects. Conference modifies to limit the scope of the section to bus capital projects.		<b>NEW SEC. 721</b>	Modifies	Modifies

<b>Boilerplate Changes</b>	<b>Current Year</b>	<b>House</b>	<b>Senate</b>	<b>Conference</b>
<b>Lansing/Detroit Rail Service</b> Earmarks \$1.0 million from the <i>Rail passenger service</i> line for the 20% match of federal funds available for Lansing/Detroit rail service. Conference modifies to make the earmark "up to" \$1.0 million.		<b>NEW SEC. 723</b>	Not Included	Modifies
<b>Detroit Intermodal Freight Terminal (DIFT)</b> Prohibits funding DIFT project outside of rail property prior to environmental impact statement. Conference concurs with House.		<b>NEW SEC. 724</b>	Not Included	Concurs with House
<b>Detroit Area Regional Transportation Authority</b> Both the House and Senate-passed bill require the department to report on DARTA start up costs. The 2 <sup>nd</sup> Conference report does not include language added in the 1 <sup>st</sup> Conference report which would have authorized the Department to expend up to \$1.0 million for DARTA start up costs contingent on the passage of HB 5467.		<b>NEW SEC. 725</b>	Concurs with House	Concurs with House/Senate
<b>Aeronautics Safety Officer</b> Requires the department to establish an aeronautics safety officer position to be funded by the department, DNR, and State Police in equal shares. [ <b>Vetoed</b> ] Conference concurs with Senate.	Sec. 803	Not Included	Restores	Concurs with Senate
<b>Airport Safety and Protection Plan</b> The Conference transfers and appropriates State Aeronautics Funds to the CTF for reimbursement of ASAP debt service obligations. Makes the appropriation contingent on the passage of HB 4454.		Not Included	Not Included	<b>NEW SEC. 805</b>
<b>Fire Grants to Local Units of Government</b> Conference Report adds new section which appropriates \$7.4 million from the liquor purchase revolving fund to the department for subsequent transfer to the Department of Consumer and Industry Services for fire protection grants to local units of government.		Not Included	Not Included	<b>NEW SEC. 901</b>